



**Financing**



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REALISING THE HUMAN RIGHTS TO WATER AND SANITATION:  
A HANDBOOK BY THE UN SPECIAL RAPPOREUR  
CATARINA DE ALBUQUERQUE

# **Financing, budgeting and budget tracking for the realisation of the human rights to water and sanitation**

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Realising the human rights to water and sanitation:  
A Handbook by the UN Special Rapporteur  
Catarina de Albuquerque

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# 01.

## Obligations from international law relating to financing and budgeting

In ratifying the International Covenant on Economic, Social and Cultural Rights (ICESCR), States commit to developing not just laws, regulations and policies but also financing strategies and budgets that are in line with their human rights obligations.

There are immediate obligations relating to the human rights to water and sanitation, such as the adoption and implementation of national water and sanitation policies and plans, and the prioritisation of access to water and sanitation services for disadvantaged individuals and groups.

Article 2 of the International Covenant on Economic, Social and Cultural Rights (ICESCR), and similar provisions contained in other treaties, require States to progressively achieve the realisation of human rights, using the maximum available resources in a non-discriminatory manner.<sup>1</sup> These obligations have a direct bearing on the budgets of States that are party to these treaties and for which the Committee on Economic, Social and Cultural Rights (CESCR) has provided authoritative interpretations.<sup>2</sup>

Articles 19 and 25 of the International Covenant on Civil and Political Rights (ICCPR) complement the obligations under the ICESCR, reinforcing the State's obligation to ensure that people have access to information and are able to participate in decisions relating to the realisation of the human rights to water and sanitation, including the budgeting process.<sup>3</sup>

## 1.1. Immediate obligations

Immediate obligations relating to the human rights to water and sanitation include ensuring that budgets are allocated for aligning legislation, policies and programming with the human rights to water and sanitation. This includes ensuring that funds are allocated for issues such as capacity building, standard setting and monitoring. (see Introduction, pp. 25-27)

**In developing their budgets, States must take cognisance of the immediate obligations imposed by the human rights to water and sanitation. These include ensuring that legislation, policies and planning are not discriminatory in their execution, and that budgets make sufficient allowance for capacity building and the monitoring of service levels and service provision.**

## 1.2. Maximum available resources

In developing their budgets, States must consider what financial resources are required to realise all human rights obligations, make decisions on how to raise the necessary financial resources, and allocate these resources where required. As well as the human rights to water and sanitation, States must consider their obligations for realising, *inter alia*, the right to education, the right to health and the right to food.

In allocating the maximum available resources for all their human rights obligations, States may have to make difficult choices between different human rights. The Committee on Economic, Social and Cultural Rights has suggested that prioritisation in allocations can be assessed by comparing the share of the budget devoted to a particular human right to the proportion devoted to the same right in similarly-situated countries<sup>4</sup>, or to regionally or internationally agreed-upon standards.

The priority given in the national budget to the realisation of the human rights to water and sanitation can be demonstrated by comparing the amount directed to water and sanitation with the allocation for other sectors, or by comparing the allocations committed to water and sanitation from year to year.

The 2006 UNDP Human Development Report<sup>5</sup> recommended that governments should aim to spend a minimum of 1% of their Gross Domestic Product on water and sanitation, while the 2008 eThekweni Declaration commits more than 30 African governments to aim to spend 0.5% of their Gross Domestic Product on sanitation alone.<sup>6</sup>

The Sanitation and Water for All (SWA) partnership also tracks financing committed to the water and sanitation sectors. Their *2013 Progress Update* cites significant increases in the budgets for water and sanitation in a number of countries.<sup>7</sup>

However, the 2014 GLAAS (Global Analysis and Assessment of Sanitation and Drinking-Water) Report also points out that allocations for water, and particularly for sanitation, continue to be inadequate in many countries, with 77% of countries indicating that available financing is insufficient to reach coverage targets for sanitation.<sup>8</sup>

Lack of resources does not reduce the State's obligation to take steps to realise the human rights to water and sanitation, and cannot be used to justify inaction. Those States with insufficient resources have an obligation to increase their existing resources through progressive taxation or external resources, such as donor financing, whether by loans or by grants.<sup>9</sup>

The World Bank argues that States should prioritise their spending on sectors such as sanitation, where the benefits will reach disadvantaged people and those living in poverty. Beyond the long-recognised high rate of return for investments in sanitation<sup>10</sup>, there is evidence that children gain health benefits from village-wide improvements in sanitation even where they don't themselves have access to a household latrine (although this is less than the health benefit to those children who have access to a household latrine).<sup>11</sup> Recognising sanitation as a public good, which the State must prioritise in its national budget and programming, can improve health and work towards the elimination of inequalities in access to sanitation.

**States must allocate maximum available resources to progressively realise all their human rights obligations, including the human rights to water and sanitation.**

**There is no fixed percentage of the budget that must be allocated to water and sanitation, but in their decisions on budget allocations, States must consider the national and international commitments that they have undertaken to realise these human rights.**



### 1.3. Progressive realisation

Budget allocations must take into account the full costs of progressively realising human rights. Inadequate allocations for regular maintenance lead to the degradation of existing water and sanitation services, resulting in retrogression in people's enjoyment of their human rights to water and sanitation. The GLAAS 2012 Report suggests that 75% of investment in water and sanitation should go to operation and maintenance, but this is not currently achieved.<sup>12</sup>

Nepal's 2009/10 budget promised to fulfil a policy of "One Toilet in One House". However, WaterAid Nepal calculated that the government's budget would provide only 250 Nepali Rupees (2.54 US dollars) for each individual without access to sanitation up to 2017. This would not have been sufficient to meet all the costs of sanitation promotion, hygiene education, and assistance to the very poor, even if the government were to rely on households to pay most of the construction costs for their own latrines. After this discrepancy between policy and budgets was brought to the government's attention, additional money was promised for sanitation.<sup>13</sup>

**States must achieve a balance among water and sanitation budget allocations directed to: infrastructure construction; operation and maintenance; training and capacity building; and awareness-raising activities, in order to comply with the obligation of progressive realisation and to avoid retrogressions.**

BUDGET  
ALLOCATIONS  
MUST TAKE THE  
FULL COSTS OF  
PROGRESSIVELY  
REALISING HUMAN  
RIGHTS INTO  
ACCOUNT

## **The benefits of financing water and sanitation, the costs of not financing water and sanitation**

The benefits of investing in water and sanitation are particularly evident in improved health. Such investment averts illnesses such as diarrhoea, reducing child mortality, and increasing adults' productivity and children's attendance at school. There are further benefits that are not directly monetary, but which have a positive impact on economic and sustainable development, such as dignity gained, progress towards realising gender equality, the avoidance of environmental degradation, and, where efforts are made to prioritise access for disadvantaged individuals and groups, the elimination of inequalities.

Not financing water and sanitation means ill-health, high rates of mortality (particularly among children under the age of five), poor long-term health and education outcomes, limits on future employment opportunities, workdays lost to ill-health, and threats to the environment, including the future safety of water resources.

## 1.4.

### Non-discrimination:

The principle of non-discrimination requires States to ensure that budgeting and expenditure work towards the elimination of inequalities in access to water and sanitation.

Levels of access to sanitation and water systems often vary considerably within a country, for example, between formal and informal settlements, or rural and urban areas. Where a State devotes considerable resources to infrastructure development in areas that are already better-served while neglecting those where infrastructure is limited or non-existent, this constitutes discrimination.

To address this, Brazil's planning document for water and sanitation services, PlanSab, published in December 2013, shows a greater allocation of funding for the highly disadvantaged rural areas of the North and Northeast regions of Brazil in comparison to the richer South and Southeast regions<sup>14</sup> – with the aim of making up for long-standing marginalisation of the former regions.

**States must prioritise budget allocations for services for disadvantaged people and for people living in areas that do not have access to services, so as to progressively eliminate inequalities.**

## 1.5.

### Access to information

The State must ensure that the population has access to information about the budget, and is able to participate in its formulation, enactment, implementation and oversight or evaluation, and have access to remedies when the budget fails to help realise their rights.

Transparent budgeting is essential to the sustainability and long-term success of any improvements in the sector. Lack of transparency facilitates the siphoning off of resources, bribery, and other unsavoury behaviour.

Budget documents should be prepared and presented in such a way as to provide readers with understandable, useful information. Budgets are preferably presented as 'consolidated budgets', breaking down line items for water, sanitation, and hygiene<sup>15</sup>, as well as specifying the regions, settlements, and population groups that are being prioritised, and the types of solutions and services financed by the State budget. The State budget should also clarify allocations and expenditures, including: new construction; the extension of services to new areas; rehabilitation, operation and maintenance; and capacity building. The State budget should also make allocations for ensuring participation and access to information.

The Open Budget Survey, produced by the International Budget Partnership (IBP) is an independent survey of budget transparency and accountability. The 2012 Survey shows that the national budgets of 77 of the 100 countries assessed fail to meet basic standards of budget transparency, and there are insufficient opportunities for citizens and civil society to engage in budget processes.<sup>16</sup>

In an analysis of the Mozambique 2012 budget, UNICEF said:

[...] analysing the [water and sanitation] sector [...] is difficult. The National Water Directorate (DNA), for example, does not have its own organic classifier, unlike some directorates in other sectors [...] DNA is accounted for within the Ministry of Public Works and Housing (MOPH). Thus it is necessary to separate manually the MOPH investments that go towards water and sanitation from those that cover public works and housing programmes. In addition, the running costs of the MOPH are excluded from the Water and Sanitation Sector (and are within the Public Works Sector). The same happens with the Provincial Directorates of Public works (DPOPH), whose costs are accounted for in the Public Works Sector and not in the Water and Sanitation Sector. This is a difficult exercise, particularly for civil society, and may lead to inadequate analyses.<sup>17</sup>

Modern Architects for Rural India (MARI), a non-governmental organisation based in Andhra Pradesh, India, has been working with village communities to help them access local budgets in order to monitor allocation against spending. Using the Right to Information Act, they have succeeded in securing information about misspent funds, which has led to budgets being reinstated and services delivered.<sup>18</sup>

Following serious dissatisfaction with increasing service charges and claims of undue profits by the public-private utility, the civil society network Berliner Wassertisch (Berlin Water Round Table) pushed for and secured public access to documentation, including the contracts for the 1999 public-private partnership process of the city's utility, Berliner Wasserbetriebe.<sup>19</sup>

**States must make national and local budget documents for water and sanitation service provision available to the public.**

**States should provide a consolidated budget that separates line items for water, sanitation, and hygiene, so that allocations and expenditure on these items can be tracked both within and between the relevant line ministries and regional and local budgets.**

.....



## 1.6. Participation

According to article 25 of the International Covenant on Civil and Political Rights, States must enable individuals, communities and civil society to participate in the budget process.<sup>20</sup> This helps governments to make informed decisions about local spending priorities for water and sanitation infrastructure, operation and maintenance.

Public participation in the area of finance and budgeting is currently the exception rather than the norm. In many countries, documents are not made publicly available, information relating to the time-frame to allow people to participate is not available and there is no effort made to make the public aware of the various institutions in charge of the process so that they may register their views with them.<sup>21</sup>

**States should enable the public to meaningfully participate in decisions relating to the allocation of resources and to how financing is raised for the water and sanitation sectors.**





## Participatory budgeting

The most robust example of public participation in budgeting is Participatory Budgeting, a process that gives people the right to allocate public resources, not simply to express their views.<sup>22</sup> The Brazilian Constitution expressly requires participatory budgeting at the municipal level. This has been implemented in several municipalities, the best-known being the city of Porto Alegre, which has practiced participatory budgeting since 1989.<sup>23</sup> Delegates elected from all over the city form a city-wide Participatory Budgeting Council where the budget is formulated and approved. The city budget is informed by a forum in each neighbourhood, facilitated by locally elected regional delegates. The Council has the power to call city officials to account for the previous year's expenditure, and planned expenditure is only approved if the Council is satisfied with the city's accounts.

In order to guarantee transparency and to avoid corruption, participatory budgeting needs appropriate monitoring. Porto Alegre created a specific monitoring working group of the Council. In other contexts, residents or neighbourhood associations (Caxias do Sul, in Brazil), citizen organisations, specific commissions of such organisations (Montevideo) or the local government's executive (mainly in Europe) monitor implementation and execution.<sup>24</sup>

The positive outcomes for water and sanitation in Porto Alegre justify having invested in more than improved access to water and sanitation services. Participatory budgeting opened up the city's financing to scrutiny by residents, leading to increased transparency and virtually uprooting entrenched patronage-based spending.



# 02.

## The budget, budget cycle and budget actors

A government's budget is not simply a document, but a multi-step, multi-actor process. Line ministries, departments, agencies and local or sub-national governments will also follow their own multi-step, multi-actor processes for budgeting for their areas of responsibility.

A budget, whether national, sector-specific, or local, is generally realised in four stages (the budget cycle): formulation, enactment, implementation and oversight/evaluation.



## 2.1. Formulation

The principal actors in the formulation of the national budget are the Ministry of Finance (or, in some countries, the Ministry of Planning or the Central Bank); line ministries (for example, the Ministries of Water, Health, Public Works) and local or sub-national governments. The roles different actors play in developing the national budget will vary according to the political structure of government in a country. Sub-national governments will have their own formulation stage, which is generally synchronised with the budget cycle of the national government. In some countries, there is provision made for civil society actors to engage in the formulation of national, local or sector budgets, and this should be standard practice everywhere. At the formulation stage of the national budget, the national Ministry of Finance (MoF):

1. Articulates the macroeconomic policies and assumptions regarding growth in the economy, inflation, etc., that underlie and shape the executive's budget;
2. Estimates the total expected revenue for the coming fiscal year and spells out the sources of that revenue;
3. Allocates available resources among different ministries, departments and agencies, influenced by information and requests provided by those different ministries, departments and agencies; and
4. Spells out the budget surplus or deficit that it anticipates, and, if a deficit, what the government will do about it (for example, rely on donors to make up the difference or borrow on the domestic or international markets).

National allocations for each of the line ministries will be decided through discussions between the Ministry of Finance and the relevant line ministry. Once the budget for water and sanitation sectors has been allocated, this budget is divided between water and sanitation, and between regions and localities. This distribution will be discussed between the line ministries, local governments, donors and civil society actors. National legislation, regulatory and policy frameworks will guide the formulation of the budget. ([see Frameworks](#))

The fact that resources and responsibilities are often dispersed across institutions and projects presents a challenge to the accurate formulation of budgets. With multiple government ministries, departments, agencies and other actor focusing on the same sector, there can be overlap or duplication of services as well as gaps in provision. To avoid this, States should ensure coordination among all stakeholders, and adopt comprehensive sector-wide policies for water and sanitation.

**When formulating the national budget, States must allocate the maximum available resources to the realisation of human rights, including the human rights to water and sanitation – paying particular attention to the rights and needs of the most vulnerable, poor and marginalised segments of the population.**

### 2.1.1. Macroeconomic policies:

Macroeconomic policies reflect a government's beliefs about how to manage the economy. While human rights do not dictate macroeconomic policies, the human rights framework provides certain parameters regarding the prioritisation of public expenditure within the overall economy, including how taxes will be raised, the role of the private sector in the provision of public goods and services and other policy choices.

Most importantly, the State has the obligation to ensure that the macroeconomic policies underlying the national budget enhance the realisation of rights rather than creating obstacles, and this obligation must be passed to the relevant line ministries.

Measures that directly or indirectly lead to backward steps in the enjoyment of human rights are retrogressive and inhibit the progressive realisation of the human rights to water and sanitation. Failure to commit resources to operation and maintenance, for example, which then leads to infrastructure breakdown, may be retrogressive. While such retrogression cannot always be avoided, the human rights framework puts forward certain requirements for States even where retrogression is non-deliberate: States must act with care and deliberation, exercise due diligence to assess the impacts of their actions and omissions on the realisation of human rights, and adjust their policies and measures as soon as they become aware that current policies might lead to unsustainable results. In times of financial and economic crisis, austerity measures may lead to retrogression. Austerity measures as currently being enacted in many countries in Europe often have a disproportionate impact on people who are already disadvantaged in society. Such retrogressive measures are prohibited if they deliberately interfere with the progressive realisation of human rights.<sup>25</sup>

#### RETROGRESSIVE MEASURES ARE PROHIBITED

**The State must ensure that the macroeconomic policies underlying the national budget enhance the realisation of human rights and do not create obstacles.**

**States should avoid imposing caps on public expenditure that will slow down the progressive realisation of the human rights to water and sanitation unless absolutely necessary. Where such caps are deemed necessary, they must not have a negative impact on the poorest and most disadvantaged individuals and groups.<sup>26</sup>**



## 2.1.2. Financing for the human rights to water and sanitation

States must develop an overall financing strategy to achieve universal access to water and sanitation, incorporating the human rights principles of accountability, participation, access to information and non-discrimination into financing mechanisms. This will ensure that resources are raised fairly, and are spent on improving access for those who currently have inadequate access to water and sanitation. In line with the obligation of non-discrimination, revenue should be raised in a way that does not unduly penalise disadvantaged individuals and groups.

Three sources of potential funding for water and sanitation services are generally identified:

- Household and user contributions (for example, tariffs);
- Government-raised financing (for example, taxes paid by residents); and
- Transfers, which may take the form of grants or loans from international organisations or other States, or as investments from the private sector.

### a. Household and user contributions.

Households contribute significantly to the realisation of the human rights to water and sanitation through self-financing household-level water and sanitation services.<sup>27</sup> These expenditures may include buying and installing hardware; maintaining the service, including pit-emptying; and paying for soap and hygiene materials. Households may also contribute significantly to water and sanitation services through payments to an informal or community system. There is little information available on these spending patterns<sup>28</sup>, and as a result it can be difficult to know the impact on different populations of the costs of water and sanitation services, or whether these services meet affordability standards. As long as these household contributions remain affordable, further mobilisation of this source of funding may be a crucial aspect of financing water and sanitation services – and is an aspect of, for example, community-led total sanitation (CLTS) programmes. (see [Services, p.25](#))

Connection charges and tariffs for households connected to formal services are better understood, and these, along with non-domestic connections, provide significant funds for water and sanitation service provision. Connection charges and tariffs must be set carefully to ensure affordability for all users. If the rates are set too high, they become unaffordable and users (including, for example, industry) will prefer to use alternative sources, leading to a potential drop in overall revenue. However, if the tariffs are set too low (and below the level set by the affordability standard) this may require an injection of funds from general revenue, which could perhaps better be spent on other priorities.

As the regulatory body is responsible for setting and monitoring affordability standards and targets, this body should also set tariffs. However, regulatory bodies

may face challenges from two directions. Because low service charges are frequently a vote-catcher, politicians may intrude on the decision-making process for tariffs, pushing the prices down to secure a better outcome in local elections. On the other hand, service providers may push for higher tariffs to secure better profits. In both cases, the regulatory body must have a legal mandate for independent tariff-setting.

The tariff structure for formal service provision must guarantee that people living in poverty have access to adequate services, regardless of ability to pay. This can be achieved either through differential tariffs, or by a subsidy or grant system, which is carefully targeted at those who have a low income.<sup>29</sup>

Connection charges can also be a barrier for households if they are set too high or fail to differentiate between low- and high-income households. Some regulatory bodies have therefore reduced or eliminated connection charges, incorporating the costs into the tariff structure.<sup>30</sup>

Pro-poor units within a utility can have a positive impact on ensuring that services are extended to informal settlements, and that the services (including connection charges) are affordable for the poor.<sup>31</sup> However, research also shows that subsidised services are often still more beneficial to the non-poor, and this must be monitored and addressed.<sup>32</sup>

In many countries and settlements, even piped water does not meet water quality standards. In these cases, in addition to paying for their water provision, individuals or households must pay prohibitive amounts (in time and in money) to ensure that it is safe to drink. This may include buying sachets or bottles of water (which are often not guaranteed to be safe to drink) or using other methods to purify water, such as water filters or boiling. While bills for

the basic service may be affordable, water treatment or the purchase of drinking-quality water may push the total price paid over the affordability limit.

**States must set an affordability standard for water, sanitation and hygiene that is fair and human rights compliant.**

**To ensure that this is complied with, States must gather information on how much money households spend on access to water, sanitation and hygiene services in a range of situations and by different income or social groups.**

## Increasing 'maximum available resources' for water and sanitation

Charges for service provision are key for increasing the maximum available resources for water and sanitation. This can be done in different ways, including through 'ring-fencing' funds raised from service charges, or through the obligation to reinvest profits in the sector or company.

Ring-fencing funds raised from service charges increases the financial sustainability of service provision. Further, the amount of money available for water and sanitation will rise as the number of connections grows, giving an incentive to service providers to extend services to new households.<sup>33</sup>

At the National Water and Sewerage Corporation in Kampala, Uganda, funds raised from connection charges are intended to be ring-fenced to pay for further connections as part of efforts to extend services into informal and poor settlements.<sup>34</sup> This can be an effective way of prioritising available resources for service provision for disadvantaged individuals and groups.

However, States must ensure that they meet all of their human rights obligations, including, for example, the right to education. Education, however, does not have a potential income stream as water and sanitation do. So while ring-fencing the funds raised from service charges for water and sanitation is a positive approach in situations where there are still people without access to these services, States may wish to retain the option of using these resources to fulfil other human rights obligations.

In some cases, particularly where service provision

is delegated to non-State actors, some of the resources raised through service provision charges are taken out of the company and distributed among shareholders as 'profits'.<sup>35</sup> However, the State's obligation to use maximum available resources in a non-discriminatory fashion also applies where governments commercialise service delivery. SABESP, the 51% State-owned water and sanitation utility in São Paulo, Brazil, is listed on the New York Stock Exchange. 75% of the annual profits raised from service provision are reinvested in the company's core activities ('ring-fenced'), while 25% of the profits are shared among the shareholders. The 51% of this 25% owned by São Paulo, amounting to approximately USD 125 million in 2013, is spent on state expenditures unrelated to water and sanitation.

The rest, also approximately USD 125 million, is shared among the private shareholders. Meanwhile, many São Paulo households remain unconnected to water and sanitation services, and for many others the tariff is unaffordable.<sup>36</sup>

In Kenya the new draft Water Bill 2014, which recognises the human rights to water and sanitation, but has not yet been passed, proposes that all profits from service delivery be reinvested in the sector until all residents have adequate access to water and sanitation services.<sup>37</sup>

From a human rights perspective, it is appropriate for the State to limit the amount of profit that may be shared with shareholders, especially in regions where full access to the human rights to water and sanitation

has not yet been achieved, and to use these funds to improve the accessibility, affordability and sustainability of service provision. (see [Services, p.46](#))

States must consider whether finances raised through service charges should be reinvested in the water and sanitation sectors or spent on other human rights obligations.

States must consider whether to limit the percentage of profits that may be extracted from the provision of public services, such as water and sanitation, in order to use the 'maximum available resources' to realise their human rights obligations.

### **Challenge: Affordability of informal service provision, and in informal settlements**

People living in slums generally have to pay more than those living in formal settlements, to receive unregulated, poor quality services. During her country mission to Senegal, the Special Rapporteur found that the price paid for water from standpipes – used in places where there is no household water connection – might be four to five times higher than the price paid by those who have household connections and benefit from the social tariff. In cities such as Nairobi, Jakarta and Lima the cost of water is approximately five to ten times higher for households living in slums than for those living in formal settlements in the same city.<sup>38</sup> Equally, people using on-site sanitation, often living in informal settlements, pay more for their sanitation service, including for the emptying of pit latrines and septic tanks, than those who benefit from the sewerage system.<sup>39</sup>

Affordability must be carefully considered, as the costs of constructing, operating and maintaining water and sanitation services and related hygiene can be prohibitive, resulting in poor quality services that do not protect health and dignity.

**States must ensure that the affordability standard is met in informal settlements and for services provided by informal service providers.**

### **Challenge: Affordability vs. Financial sustainability**

The financial sustainability of a service is measured by comparing the revenue raised through tariffs to expenditure. While it is not expected that developing countries are able to recover all costs of service provision through tariffs, many countries aim for sufficient funds to be raised to cover operation and maintenance, so that the service can be seen as ‘financially sustainable’. This is a useful principle, but has to be combined with the affordability standard. The full cost of sanitation services is often prohibitively expensive for households to pay – but the lack of adequate sanitation has ‘hidden’ costs through the negative impact on health and dignity.

**The State must find alternative resources where tariffs and connection charges are insufficient to sustain services. The concept of financial sustainability may not be used to impose unaffordable tariffs or other charges.**

SUFFICIENT FUNDS  
MUST BE RAISED TO  
COVER OPERATION  
AND MAINTENANCE  
WHILE ENSURING  
AFFORDABILITY



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### **Challenge: Tariff structures and subsidies: access to information and participation**

Regulatory bodies and providers should engage residents of urban informal settlements in the design of tariffs, subsidies and the mode of payment of service charges. This has multiple positive impacts, but a particular benefit is that increasing people's understanding of the rules of tariffs limits opportunities for petty corruption, and increases transparency between service providers and users. Further, this approach enhances people's ability to pay, helps to identify the households that need assistance to pay for services, and provides an opportunity to air grievances with the service provision.

The residents of an informal settlement in Nairobi, Kenya negotiated a Social Connection Policy with Nairobi Water (a State-owned company), through its Urban Informal Settlements Programme, which enables households to spread out their payment of the connection fee over a period of 24 months.<sup>40</sup> Other opportunities for residents to engage include discussions on how, when and where payments can be made.

**States must ensure that people are able to participate in the design of tariffs and modes of payment for water and sanitation services, and that households eligible for special tariffs, subsidies and grants are aware of these, and are given the right tools to apply for them, without barriers.**

This can include:

- the creation of pro-poor units, which work to identify appropriate subsidy and / or tariff structures.
  - dedicated information programmes to inform the relevant individuals and groups about subsidies and tariff structures.
-

## b. State revenue

Generally, tariffs and other household expenditure can only be expected to cover part of the cost of ensuring access to water and sanitation services, particularly in countries with low rates of access, where significant investment is required.<sup>41</sup>

In keeping with its obligation to use the maximum available resources, the State should raise as much revenue as it reasonably can through taxation.<sup>42</sup> However, different approaches to revenue-raising affect different population groups differently; for example, value-added taxes (VAT), or consumption taxes, are acknowledged to hit the people on low incomes the hardest.<sup>43</sup> Progressive tax regimes that make use of income and wealth taxes are generally a more equitable solution from the perspective of non-discrimination.<sup>44</sup>

**States must take human rights considerations, particularly those related to non-discrimination, into account when making decisions about how revenue in the sector is raised, in order to ensure that taxation does not disproportionately burden disadvantaged or poor households.**

### c. External assistance and transfers.

Where user contributions and government resources are insufficient, States must request external or international assistance to fill the gap.<sup>45</sup>

This may come from donor funding, from bilateral or non-governmental organisations, from loans from banks (national, regional or international) or private sector investments.

These resources are sometimes reflected in the government's budget, but even where they are not, they can have a significant effect on how a State decides to allocate resources to specific sectors, programmes and projects. The Government of Nepal is in the process of trying to ensure that all donor funding is reflected in the national budget and complies with the national and sub-national water and sanitation plans.<sup>46</sup>

Donors may not impose conditions that do not uphold human rights; for example, by providing finance only if States agree to manage water and sanitation services with 'full-cost recovery' without considering affordability.

DONORS MAY  
NOT IMPOSE  
CONDITIONS THAT  
DO NOT UPHOLD  
HUMAN RIGHTS

Donors, including bilateral and multilateral agencies and NGOs, should ensure that the loans and grants they commit to recipient States comply with human rights, and that funding for water and sanitation includes measures to eliminate inequalities in access, and does not impose conditions.

Donors, including bilateral and multilateral agencies and NGOs, may not offer grants or loans that do not uphold human rights; for example, by providing grants or loans on condition that States engage non-State service providers in service provision, without allowing for public consultation and meaningful participation.

States should incorporate financing from all bilateral and multilateral donors, private sector actors, and NGOs into their overall financial planning, to ensure that this external financing complies with the legislative, regulatory and policy frameworks that govern water and sanitation provision.

### **Access to information, participation and the raising of finances**

Access to information is an important tool for raising public awareness of State financing strategies, and is key if civil society is to participate in making decisions about how to raise and spend money better.

Sometimes governments are pressed to impose private involvement in water and sanitation service provision, ostensibly to raise extra finances. States must ensure that these decisions are made in an open and transparent manner, with opportunities for public participation. For example, concerns have been expressed by UN Special Rapporteurs on the non-transparent manner in which major decisions on issues such as the rapid privatisation of State assets were made during the economic crisis in Portugal, with limited public information or opportunities to participate in decision-making.<sup>47</sup>

**States should make information available to the public on the potential gap between requirements for water and sanitation services and available government funds, and provide opportunities for people to participate in decisions on how to address this gap.**



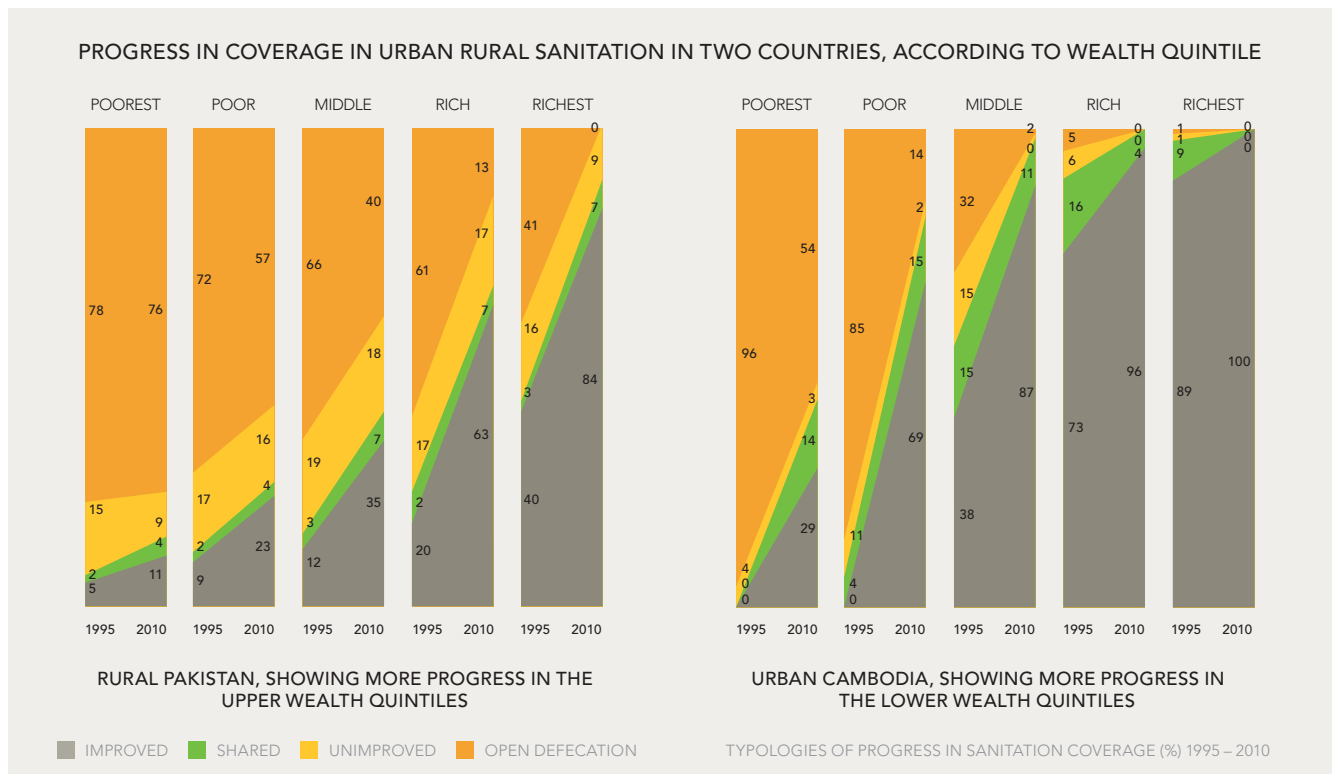
### 2.1.3. Allocations

The total amount that a national budget allocates to a specific line ministry will generally be agreed by the ministry of finance (or other national State body) and the relevant line ministry. It will be based on resources raised, for example, by tariffs, taxes and external transfers.

Meeting the immediate obligations related to water and sanitation means guaranteeing basic access to all, while prioritising the needs of the most vulnerable and marginalised. However, funding patterns tend to favour large systems in urban areas disproportionately over rural and deprived urban areas, and these systems tend to benefit the more politically or economically powerful households. While there is still a need to increase

resources committed to the water and sanitation sectors generally, more can also be done to realise human rights using existing funds, through allocating budgets to target disadvantaged individuals and groups.

The process for determining allocations to different regions or areas should take into account existing disparities and inequalities, so that disadvantaged individuals and groups receive higher (and targeted) allocations even when they are living in regions that are otherwise adequately served. For example, informal settlements in urban areas often receive smaller per capita allocations than formal settlements, which tend already to have better services. States should address these



Adapted from source: Demographic and Health Surveys, Multiple Indicator Cluster Surveys and World Health Surveys 1995 – 2010



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INVESTMENTS AND  
PLANNING MUST  
TAKE INTO ACCOUNT  
THE LONG-TERM  
COSTS OF WATER  
AND SANITATION  
PROVISION

inequitable budget allocations. In Namibia, efforts have been made to prioritise the most marginalised rural regions with a higher budget allocation.<sup>49</sup>

Investments and planning must also take into account the long-term costs of water or sanitation provision, in order to avoid retrogression (changes for the worse). Too little attention is currently paid to the operation and maintenance costs of providing services, and this has led to loss of access for some communities that had previously received good quality services. For example, during her country mission to the United States, the Special Rapporteur called on the federal, state and local governments to establish adequate programmes to assure the maintenance of their ageing infrastructure.<sup>50</sup>

In their WASHCost research in Burkina Faso, Ghana, Mozambique and India, the International Water and Sanitation Centre (IRC) has developed a toolkit to help practitioners understand the costs of different interventions and technologies. This considers costs beyond construction, operation and maintenance, and includes awareness-raising and capacity building, particularly for interventions related to sanitation and hygiene, where behavioural change is often as important as the hardware.<sup>51</sup>

Where States have decided to provide subsidies to disadvantaged individuals to ensure affordability or to make services available for free to those who cannot afford to pay anything, these must be carefully designed to reach the intended recipients. State subsidies tend to be appropriated by the non-poor, partly because the conditions that are imposed (such as proof of habitation, which people living in informal settlements will not have) are too stringent for those living in poverty to comply with, and partly because the non-poor are better informed and better able to take advantage of subsidies. Some countries, such as South Africa, Chile and Belgium, make subsidies automatically available to those registered as requiring extra support.

**In allocating the budget, the ministry of finance and relevant line ministries must fully integrate the obligations of the human rights to water and sanitation.**

**Where specific groups of people have historically been neglected, the national line ministry must consider how to address this neglect, and provide the relevant sub-national governments with (earmarked) funding and other resources, such as subsidies, that target the provision of services for disadvantaged individuals and groups.<sup>52</sup>**

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## Free or universally subsidised access to water and sanitation?

States have an obligation to progressively realise the human rights to water and sanitation, with a particular focus on the needs of disadvantaged individuals and groups. In some countries, recognition of water and sanitation as human rights has been interpreted by States (and others) to mean that access to these human rights should be free or universally subsidised. However, as the free or subsidised services generally apply only to formal provision, subsidies benefit the non-poor, as they are more likely to have access to formal services.<sup>53</sup>

From a human rights point of view, providing water or sanitation services free of charge, or with universal subsidies, is likely to lead to a use of resources for services that are not available to the poorest or most disadvantaged individuals and groups. This is not only true of access to water and sanitation, but also of higher education and health, where States allocate

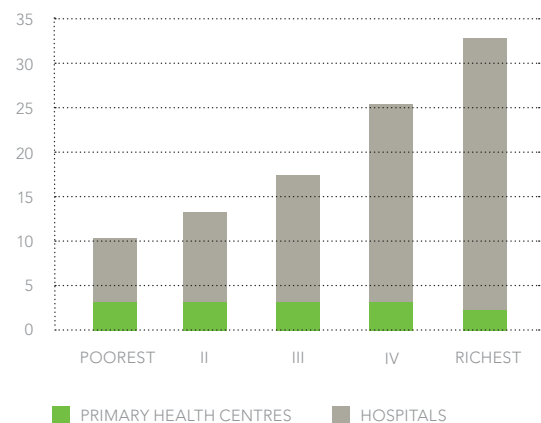
significantly greater funding to services that are more likely to be used by the non-poor.

In the health budget, for example, available resources may be better spent on local health care centres that focus on preventative medicine, rather than on hi-tech hospitals that are only accessed by a privileged few.

Similarly, it is more in line with human rights principles to allocate the sanitation budget to maintenance or training to support improved use of latrines used by those living in rural areas, than on hi-tech waste-water treatment plants that benefit a few formal urban settlements.

**States must allocate their often limited resources specifically to services that will benefit disadvantaged individuals and groups.**

DISTRIBUTION OF HEALTH CARE SUBSIDIES: ALL INDIA, 1995–6



Source: <http://blogs.worldbank.org/futuredevelopment/rights-and-welfare-economics>

## Information and participation in budget allocation

Budgeting processes should always be transparent and open to scrutiny from civil society. There may sometimes be a disconnect between the priorities of residents and those that service providers and/or governments are willing to invest in – these issues should be discussed and resolved through public hearings or processes such as citizen juries. This will help to ensure that allocations are appropriate, but also limits opportunities for corruption.

In Uganda, the non-governmental organisations CIDI and Water Aid Uganda provide training to help communities understand local government planning and budgeting cycles, making it possible for people to participate more knowledgeably in budgeting and planning processes.<sup>54</sup>

Information on how the budget is allocated must be accessible and easy to understand, so that civil society can contribute to planning and monitoring of the budget.

### **Challenge: Donor-driven, large-scale infrastructure**

UN-Water Global Analysis and Assessment of Sanitation and Drinking-Water (GLAAS) provides information on donors' budgets, disaggregated according to water, sanitation and hygiene, as well as comparing allocations to large-scale systems with local systems.<sup>55</sup> This shows that donor funds for water are currently predominantly directed to construction of large-scale infrastructure.<sup>56</sup> This preference for new construction often leads to the degradation of existing systems. In addition, most donor funds for water and sanitation are allocated to water rather than to sanitation.

As a result, countries that rely heavily on donor support for the provision of water and sanitation services may find that awareness-raising, operation, maintenance, and investments in smaller, low-tech systems are given inadequate attention, in terms both of funding and of planning.

For example, the Special Rapporteur, report on her mission to Kiribat, discusses the high costs of desalination plants, which involve expensive technology and whose operation costs (mainly for energy) were very unlikely to be sustainable in the long run.<sup>57</sup>

Donors should review their funding allocations and consider directing their funds differently, so as to do more to realise the rights to water and sanitation through small-scale rather than large-scale infrastructure, and by allocating more funds to operation and maintenance, capacity building and awareness-raising.





## Budget allocation for access to information and participatory processes

Ensuring that people have access to information and can participate in budgeting processes costs money, and the amount allocated affects what is delivered and whether or not it has any real impact.

Information leads to participation, which leads to better-tailored programmes that address the needs and expectations of the population that they aim to benefit. The provision of information and dialogue with communities also tends to reduce conflict and should diminish unwarranted criticism (while increasing justified criticism).

Programmes to ensure access to information should focus particularly on those individuals and groups that are hard to reach. Information on specific subsidies or grants that are available for low-income individuals, households or communities should be made available, using relevant media.<sup>58</sup>

For example, the Phnom Penh Water Supply Authority created a Customer Information Program through which a broadcast team was appointed at the local level, which aimed to raise awareness among its customers, especially the poor, on the financing process of the water supply.<sup>59</sup>

**States must allocate resources for the creation of infrastructure and personnel to support:**

- the provision of information;
- the training of civil servants involved in producing or sharing information; and
- promotional measures aimed at disseminating knowledge about freedom of information and access to opportunities to participate.



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## 2.2. Enactment

In the enactment stage of the budget cycle, the executive submits the national budget to the legislature for review, amendment and approval. The executive should give the legislature adequate time before the start of the fiscal year to consider the budget proposal. Democratic decision-making requires that parliaments have the authority and effective power to amend the proposed budget in order to ensure that the human rights to water and sanitation are adequately taken into account.<sup>60</sup> As with the other stages of the budget process, budget documents being considered by the legislature should be made available to the public, and opportunities for meaningful public input should be provided.<sup>61</sup> Civil society organisations working either in water and sanitation or on budget advocacy may be able to provide information to legislators who are otherwise unfamiliar with these issues.<sup>62</sup>

**The legislative arm of the State must be able to access sufficient expertise with respect to water and sanitation and the human rights to water and sanitation to enable it to review the water and sanitation-related components of the budget in a meaningful fashion.**

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## 2.3. Executing the budget

Once the legislature has approved the budget, the executive can disburse funds to ministries, departments, agencies and sub-national government bodies.

When funds are transferred from national to sub-national government, a number of issues that bear on the rights to water and sanitation may arise:

1. Delays in funds arriving to the sub-national government can result in under-spending or wasteful spending.
2. When funds are relayed from the national budget through intermediate levels of government (for example, state or municipal government) to the service provider, there can be problems of “leakage” at one or more levels, that is, of funds being improperly diverted *en route*. The Committee on Economic, Social and Cultural Rights has said that corruption amounts to a failure by a government to comply with its obligation to use the maximum of available resources to progressively realise economic, social and cultural rights.<sup>63</sup>

The World Bank and many other institutions and organisations have used the Public Expenditure Tracking Survey (PETS) methodology to identify leakage.<sup>64</sup> This methodology was used in Tanzania to track pro-poor expenditures, with a specific focus on four schools and five clinics. The survey revealed that there were substantial delays in the disbursement of funds at all levels of government. It also uncovered the fact that rural schools and clinics received a smaller share of the funds allocated to them than did their urban counterparts. Such information can be invaluable for identifying where changes need to occur in the budgeting and expenditure process.<sup>65</sup>

Decisions on budget allocations may most appropriately be made at the local level, where context, including data on existing service levels, levels of poverty or disadvantage within a population and access to reliable water resources, is best understood. However, provision of water and sanitation is often hampered by insufficient capacity at this level.<sup>66</sup>

Under-spending of funds allocated to the realisation of economic, social and cultural rights constitutes a failure to use the maximum available resources. Lack of capacity to spend funds allocated to disadvantaged areas or groups of people may result in under-spending, with funds either being returned to central government, or being captured by more powerful groups. For example, on her country mission to Slovenia, the Special Rapporteur regretted that in 2008, due to lack of political will, only half of the funds offered to municipalities by the Ministry of the Environment and Spatial Planning for regularising settlements where Roma people live were used, and urged the Slovenian government to monitor and report on all municipalities’ activities that aim to improve the living conditions of Roma people.<sup>67</sup>

In Brazil, local authorities must show that they have sufficient capacity to use budget allocations well before funds are allocated and disbursed. A challenge here is that as disadvantaged areas will often lack human resources to manage the above processes, they will not qualify for budget allocations, further compounding existing disadvantages and inequalities. Such conditions must be coupled with support, and enhancement of capacity, as mentioned above.<sup>68</sup>

National government should disburse allocated funds fully, in a timely fashion, so that sub-national governments are able to implement their plans.

National government must enhance local capacity to ensure that the allocations for water and sanitation are not under-spent or spent wastefully, and should identify gaps in local capacity, ensuring that budget allocations reflect these needs.

Donors should make information about their disbursements publicly available and accessible, so that people are informed of allocations and expected expenditures.<sup>69</sup>

As with national governments, donors should release any funds they have promised promptly.



## 2.4. Audit and Monitoring

Systematic oversight and evaluation of the government's budget is essential if States are to be able to:

- assess the impact of expenditure on the realisation of the human rights to water and sanitation;
- ensure that resources are used in an effective and efficient manner; and
- ensure that funds directed from the national to sub-national government arrive in full and on time to the service provider.<sup>70</sup>

At the national level, Brazil's Water and Sanitation Plan, Plansab, tracks budgeting and financing across regions and between types of expenditure.<sup>71</sup>

Reliable information about expenditure related to the water and sanitation sectors must be made available to the public as quickly as possible, and opportunities must be provided for civil society and oversight organisations to check this information.

**States must monitor expenditure to make sure that allocations directed to realising the human rights to water and sanitation are spent as intended.**

**States must ensure that budgets can be tracked to reduce the risk of corruption**

**States should make information about the results of their oversight and monitoring publicly available, and they should assist civil society in their monitoring of government expenditures.**





## 2.4.1. The role of State and non-State institutions in monitoring budgets

Monitoring of budgets can only be effective if the bodies responsible for monitoring are independent of State interference.

### Supreme audit institutions (SAIs)

Supreme audit institutions are national bodies in charge of auditing government revenue and spending. Their main purpose is to monitor the management of public funds and the quality and credibility of the data that governments report regarding their finances.<sup>72</sup> The supreme audit institution can promote efficiency, accountability, effectiveness and transparency in public administration. In a resolution, the UN General Assembly stressed that supreme audit institutions “can accomplish their tasks objectively and effectively only if they are independent of the audited entity and are protected against outside influence”.<sup>73</sup>

For example, in June 2013 the European Union’s Court of Auditors issued a report criticising the way the EU had provided foreign aid to Egypt between 2007 and September 2012. The Court used as its criteria for success whether aid had been effective in improving the management of public finances, reducing corruption and promoting human rights and democracy. It criticised the EU for failing to use its leverage to encourage greater respect for human rights during that time. It pointed out that between January 2011 and Mohamed Morsi’s election to the Presidency in June 2012, “no new major initiatives” to address essential human rights issues had been taken, while insufficient attention had been paid to the rights of women and minorities in the midst of a “tide of growing intolerance”.

**The supreme audit institution (SAI) must ensure that a government’s budget has been formulated and implemented in a way that is in keeping with the laws of the country. It must monitor the government’s budget and expenditure from a human rights perspective, taking into account the State’s human rights obligations**

MONITORING OF BUDGETS CAN ONLY BE EFFECTIVE IF THE BODIES RESPONSIBLE FOR MONITORING ARE INDEPENDENT OF STATE INTERFERENCE

## Legislatures

Supreme audit institutions often face limitations with regard to the follow-up of their audit. Control over public funds is only effective if audit reports are followed up by parliament and acted on by the executive.<sup>74</sup>

States must take stock of how resources are being spent. Institutional fragmentation, lack of transparency and the absence of mechanisms for monitoring individual contributions can make it difficult measure accurately or track the funds flowing into, or leaking out of, the sector. States must ensure that funding is reported by all actors, including donors, private providers and non-governmental organisations, in order to obtain a complete picture of the resources allocated to water and sanitation and how the funds are allocated. Where funds are not allocated or spent properly, States must be held to account. (see Justice, pp. 22, 47-48, 53)

**The legislature should review and take action on the government's annual financial reports, as well as the supreme audit institution's reports, to determine the extent to which the government's budget spending has contributed to realising the human rights to water and sanitation.**

## Regulatory bodies

Some countries do not have a formal and independent regulator to monitor operators' budgets, but the function is a crucial one. Individual mandates for regulatory bodies differ, but broadly these institutions set quality standards and tariffs, and they monitor operators' investments, activities and impact, comparing these to their own and the government's stated policies and to international and local standards. For example, the Portuguese regulator, ERSAR, which has a relatively broad mandate with considerable powers, reviews operators' investment plans against government policy, sets tariffs, and monitors the impact of the investment.<sup>75</sup>

One of the difficulties identified in terms of improving services for disadvantaged households is the lack of information relating to specific households that might require additional assistance. While the State may have this information, it is sometimes not possible to share this with the regulator or operators due to concerns about data protection.

**States should ensure that there is an independent institution that can regulate operators' budgets, investments and expenditure.**

**States should ensure that relevant information on the needs of people who can't afford to pay for water and sanitation is available to the regulators, so that they can ensure that appropriate subsidy and tariff structures are in place.**

## Civil Society

Civil society has an important role to play in monitoring budget expenditure, in order to hold States to account for the budgets that they have set, as well as to limit opportunities for corruption. There are a number of approaches for civil society monitoring, including:

- social audits, which involve communities in assessing the accuracy of government financial records;
- procurement monitoring, by which civil society reviews procurement processes and the contracts awarded following such processes, in order to identify any shortcomings in the process;
- citizens' report cards, which 'grade' people's satisfaction with government services and correlate the results with spending; and
- public expenditure tracking surveys.<sup>76</sup>

In Tanzania a civil society network working on water and sanitation, TAWASANET, investigated how water and sanitation allocations had actually translated into facilities and access across urban and rural areas, districts, wards and even social groups. In looking at outcomes for different social groups, the study went beyond simply investigating how allocations had translated into physical outputs. It also visited local communities to establish which groups were being excluded from water and sanitation investments. One finding was that small towns were being neglected in budget allocations. It recommended that local governments should help service providers to improve the targeting of their water supply investments to vulnerable households within communities.<sup>77</sup>

The Federation of Water and Sanitation Users in Nepal (FEDWASUN) is a network rooted in households and user's groups in rural Nepal. FEDWASUN provided the user networks with basic information about government

expenditure decisions, so that they could track how money was being spent and whether it translated into water and sanitation programmes. Through their monitoring the groups learned that three remote areas had received no budget allocation for water and sanitation that year, and that there was no allocation for school latrines, and thus no sanitation facilities for more than a quarter of schools. At public hearings, users spoke about their findings and FEDWASUN lobbied the government on their behalf. The local government then allocated funds to the three areas, and the district education office committed to providing latrines for all schools.<sup>78</sup>

**Civil society must be provided with the opportunity, through access to information and participatory processes, to engage with State monitoring processes.**

**Civil society monitoring approaches should also be recognised in State monitoring processes.**







# 03.

## Checklist

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## State Actors

### National and sub-national Governments

	Yes	In progress	No
Is the national government allocating sufficient funding for water and sanitation, allowing the human rights to water and sanitation (including availability, accessibility, quality, affordability and acceptability) to be progressively realised on a non-discriminatory basis?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Where a State has insufficient resources to realise the human rights to water and sanitation, has the State actively sought international cooperation and assistance?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Are the funds the national government is directing to sub-national governments sufficient to enhance equality in access to water and sanitation, and targeted particularly at those who are disadvantaged within different regions and population groups? Are there criteria for allocating funds to sub-national governments? What are these?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Are national and sub-national governments collaborating to ensure that all funds directed from the national government to water, sanitation and hygiene projects and services reach sub-national governments promptly?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Has the State made water, sanitation and hygiene related budgets publicly accessible?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Has the State enabled meaningful participation by civil society in discussions about the formulation, implementation and monitoring of budgets?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Has the State set a fair affordability standard, taking into account all aspects of water, sanitation and related hygiene?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Are people made aware of existing subsidies, grants and payment options?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

### Ministry of Finance (or Planning, or Central Bank)

Have the rights to water and sanitation been accorded due priority within the national budget?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Has the Ministry of Finance reviewed water and sanitation related budgets to determine if, taken together, the allocations contribute to the realisation of the rights to water and sanitation, as well as promoting non-discrimination, sustainability, accountability and participation?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Have any cuts been made in water, sanitation and hygiene related budgets in the past five years? If so, was an assessment made of the likely impact of these cuts on people's realisation of their rights to water and sanitation, particularly for disadvantaged individuals and groups?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Has the finance ministry, or, where appropriate, the competent line ministry allocated sufficient funds for subsidies for those unable to afford charges and costs relating to access to water and sanitation services?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Have water, sanitation and hygiene related funds been released to line ministries and sub-national governments in full, and in a timely fashion?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

<b>Line ministries</b>	
	Yes In progress No
Is the structure of tariffs and/or subsidies such as to ensure that disadvantaged individuals and groups have access to a necessary amount of water, and access to sanitation facilities, regardless of ability to pay? Does it also ensure affordability to the middle and lower-income households without representing more than a certain percentage of household income?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
Do water, sanitation and hygiene budgets appear to have reached an appropriate balance of infrastructure spending vs. operation/maintenance/repair spending, so as to ensure the sustainability of existing systems?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
Have the line ministries produced sufficiently disaggregated budgets so that it is clear how much money they are directing to water, to sanitation and to hygiene, and for what purposes?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
<b>Donors</b>	
Does donor or development agency support comply with human rights, in particular with the principles of non-discrimination, sustainability, accountability and participation?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
Is donor or development agency support incorporated into, or reflected in, the national or subnational budget?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
If donor financing is not incorporated into or reflected in the national or subnational budgets, does it harmonise its support with the recipient government's policies and plans?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
Has the donor or development agency considered giving a higher priority to support for the water and sanitation sectors? If it already provides such support, has it considered directing more of its contribution to operation, maintenance and capacity-building?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
Does the donor or development agency make information about its water, sanitation and hygiene related support publicly available?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
Does the donor or development agency provide advice on ensuring that the recipient State's water and sanitation budgets reflect human rights obligations?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
Have water, sanitation and hygiene related funds been disbursed or spent in full, and in a timely fashion?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
<b>Supreme audit institutions</b>	
Is there an independent supreme audit institution, and does it have sufficient human and financial resources to operate?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
Does the supreme audit institution explicitly use a human rights framework in auditing government budgets?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
What is the follow up to and impact of the supreme audit institution's findings? What is the rate of the State's compliance with the supreme audit institution's recommendations?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
<b>Civil society</b>	
Are there capacity-building strategies on budgeting and budget tracking for civil society?	<input type="radio"/> <input type="radio"/> <input type="radio"/>
Do States make provision for budget monitoring by civil society, and take note of the results?	<input type="radio"/> <input type="radio"/> <input type="radio"/>





# 04.

## Image credits and references

### Image Credits:

**Page 12** Village Assaini Programme, household constructed latrine, Democratic Republic of the Congo. UNICEF/DRC/2014.

**Page 14** A locked waterpoint in Dzita, Volta region, Ghana. DIMR/Antonia Bartning.

**Page 26** Sanitary officer Abdul Kamara inspects toilets in the village of Fayama, Sierra Leone, May 2013. WaterAid/ Anna Kari.

**Page 31** Water tanks, Za'atari Camp, Jordan 2014. Madoka Saji.

**Page 35** Rainwater harvesting, Tuvalu 2012. Madoka Saji.

**Page 36** Integrated Water Resource sign, Tuvalu, 2012. Madoka Saji.

**Page 40** Ecole Assaini Health Club member keeps the school toilet clean, Democratic Republic of the Congo. UNICEF/DRC/2014.

**Page 44** Mr. George Adolu sanitises tools and equipment in the operating theatre of Amuria Health Centre IV, Amuria Town, Uganda, East Africa. WaterAid/Jake Lyell.

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